ARTICLE APPEARED
ON PAGE

NEW YORK TIMES 27 November 1985

## U.S. OFFICIALS FIND IMMENSE DAMAGE IN ESPIONAGE CASES

By JOEL BRINKLEY
Special to The New York Times

WASHINGTON, Nov. 26 — Senior intelligence officials say the United States has been immensely damaged by the series of espionage cases disclosed in the last week.

When added to the harm caused by other major spy cases in the last six months, one senior Administration official said, "This has been an extraordinarily bad year for us — it's going to cost us millions to recoup, if we can."

Another Administration official said: "There are more of these cases coming. Don't think it's over yet." He said Vitaly Yurchenko, the Soviet defector who returned to the Soviet Union two weeks ago, provided information that will probably lead to several more

## **Charged With Spying**

A former analyst with the Central Intelligence Agency, Larry Wu-Tai Chin, arrested Saturday and accused of spying for China for more than three decades, was indicted on espionage charges today. [Page B8.]

In addition, associates interviewed today said Jonathan Jay Pollard, a Navy counterintelligence analyst who was accused last week of spying for Israel, has boasted for 10 years about working for the Israelis. Two Israeli newspapers today identified Rafi Eltan, who was an intelligence adviser to Prime Minister Menachem Begin, as Mr. Pollard's recruiter. [Page B8.]

United States intelligence officials said that of the four people arrested since last Thursday on spy charges, Ronald W. Pelton, a former employee of the National Security Agency, appeared on initial assessment to have caused the most harm. He was caught as a result of information provided by Mr. Yurchenko, according to the Federal Bureau of Investigation.

While employed as a communications specialist from 1965 to 1979, Mr. Pelton had clearance to use the most heavily classified intelligence, designated sensitive compartmentalized information. Although officials would not describe his job precisely, they said he was in a position to know the capacity of many of the security agency's highly sensitive satellites and other intelligence-gathering tools.

The agency uses photo-reconnaisance satellites, listening stations on the ground and in the air along with other devices to photograph and intercept information. The agency, the nation's most secret intelligence organization, is most effective when it uses advanced capacities that the Soviet Union does not know the United States has.

Mr. Pelton apparently told the Russians how some of the agency's intelligence-gathering devices work, a senior intelligence source said today. An intelligence official said, "He could have caused damage beyond calculation," by enabling Soviet officials to alter their behavior in ways that render multi-million dollar satellites and other devices virtually useless.

Defense Secretary Caspar W. Weinberger today set up a special program

aimed at tightening security for the 50,000 to 60,000 Pentagon employees who have access to highly sensitive codes. The program may involve more polygraph, or lie-detector, tests of employees and security briefings of those who work with classified codes, said Robert Sims, a Pentagon spokesman. He said the move had been under consideration for some time and had not been prompted by Mr. Pelton's arrest.

Federal officials said that Mr. Pelton had admitted spying for five years, beginning in 1980. If Soviet officials have known some of the N.S.A.'s secret capacities all that time, officials said, they could have used that knowledge to feed false or misleading information.

"We have a lot of backtracking to do," an official said.

Senator Malcoim Wallop, Republican of Wyoming, who was a member of the Senate Intelligence Committee until this year, has been especially critical of the N.S.A.'s programs for detecting spies within the agency. "They have no counterintelligence," he said. "They have no systems or methods for assessing our systems and how they might be discovered and perhaps used against us.

"It's a major issue, and they resist all suggestions of that sort," he added. Agency officials will not comment on their counterintelligence programs, but a former senior intelligence official said Mr. Wallop's charges "are absolutely untrue."

There is a substantial effort to look for that," the official said.

Meanwhile, the Pelton case also brought renewed criticism of the C.I.A. today.

Court documents filed as part of the case against Mr. Pelton said that he met Soviet intelligence officials in Vienna at least twice in 1980 and 1983. Over the last 30 years, Soviet officers have often used that city to meet American spice.

Mr. Peiton stayed in the home of the Soviet ambassador while visting Vienna, officials said, which was "an incredible piece of arrogance" on the part of the K.G.B., an intelligence source asserted.

"It just blows my mind" that Mr. Pelton could have stayed in the Soviet ambassador's residence without being detected by American intelligence, another senior intelligence source said.

Administration officials have said

for the last three years, at least, that the White House has urged the C.I.A. to increase surveillance in Vienna.

## No Comment From C.I.A.

The C.I.A. would not comment today. "We're not about to tell the Soviets what we may or may not be doing in Vienna," a spokesman said.

In the case of Mr. Chin, the former C.I.A. analyst, the initial public assessment by intelligence officials was that his alleged disclosures had been significantly less damaging than those of Mr. Pelton. But today officials said they were not so sanguine.

"He could have done a lot of damage," an Administration official said.

The bulk of Mr. Chin's work involved preparing unclassified reports on foreign news media, but as a 30-year C.I.A. employee, "he picked up a lot just by being there," both while serving as a translator at classified briefings and discussions, and in banter with his colleagues, an intelligence source said.

A Justice Department official said that Mr. Chin "had access to virtually all levels of classified information dealing with China and other aspects of American Far Eastern intelligence."